

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Division of Boating and Ocean Recreation
Honolulu, Hawaii 96813

January 27, 2006

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

Oahu

Issuance of Right-of-Entry Permit to Hilton Hawaiian Village LLC, Waikiki Oahu, Public Right of Way as shown on Map 4 of Land Court Consolidation 64 and Tax Map Key: (1) 2-3-037: 012, 021; Grant of Easement to the Hawaiian Telcom, Public Right of Way as shown on Map 4 of Land Court Consolidation 64 and Tax Map Key: (1) 2-3-037: 012, 021; Grant of Easement to Oceanic Time Warner Cable, Waikiki Oahu, Public Right of Way as shown on Map 4 of Land Court Consolidation 64 and Tax Map Key: (1) 2-3-037: 012, 021

APPLICANT:

Hilton Hawaiian Village LLC (Hilton), a domestic limited liability company, whose business and mailing address is 2005 Kalia Road, Honolulu, Hawaii, 96815.

LEGAL REFERENCE:

Sections 171-13, 55, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands of Waikiki situated at Honolulu, Oahu, identified by Tax Map Key Numbers: (1) 2-3-037:012, 021, as shown on the attached map labeled **Exhibit "A"**; Portion of Government lands of Waikiki situated at Honolulu, Oahu, identified as Public Right of Way on Map 4 of Land Court Consolidation 64

AREA:

To be determined by a licensed land surveyor.

ITEM J-4

ZONING:

State Land Use District:	Urban, Conservation
City and County of Honolulu CZO	Public Precinct/Waikiki Special District

TRUST LAND STATUS:

Section 5(a) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State
Constitution: Yes _____ No X

CURRENT USE STATUS:

Roadway use; Recreation use.

CHARACTER OF USE:

Right, privilege and authority to construct, use, maintain and repair underground telephone lines and other equipment necessary to provide telecommunication services; Right, privilege and authority to construct, use, maintain and repair underground cable lines and other equipment necessary to provide cable services.

COMMENCEMENT DATE:

To be determined by the Chairperson.

EASEMENT TERM:

Perpetual.

ANNUAL RENT:

Gratis

CHAPTER 343 – ENVIRONMENTAL ASSESSMENT:

A final environmental assessment has been approved.

APPLICANT REQUIREMENTS:

Applicant shall be required to provide survey maps and descriptions according to State DAGS standards and at Applicant's own cost.

REMARKS:

1. Issuance of Right of Entry Permit to Allow the Construction and Installation of Telephone Line and Cable Improvements.

The State owns fee simple title to property identified by Tax Map Key Numbers: (1) 2-3-037:012, 021. The Duke Kahanamoku Lagoon (the "**Lagoon**") is located on a portion of Tax Map Key No. (1) 2-3-037: 021

The State owns the fee simple title to Lots 5-C-2, 6-B and the "Public Right of Way" (the "**Public Right of Way**"), all as shown on the map attached hereto as **Exhibit B**. Lots 5-C-2, 6-B and the Public Right of Way are at times collectively herein referred to as the "**State Parcels**." The State Parcels are currently dedicated as a public right of way and constitute a portion of Dewey Lane. Lots 5-C-2 and 6-B, respectively, as shown on **Exhibit 1**, are identical to Lots 5-C-2 and 6-B shown on Land Court Map 4 ("**Land Court Map 4**") of Land Court Consolidation 64, authorized and approved by Order of the Land Court on January 21, 1964. Lots 5-C-2 and 6-B are lands described in Transfer Certificate of Title 12,829. The Public Right of Way shown on **Exhibit B** is the same as the "Public Right of Way" shown on Land Court Map 4.

The State has a perpetual easement (the "**Perpetual Easement**") over Lots 1-A-2, 2, 3, 4, and 5 (collectively the "**Easement Parcels**") as shown on **Exhibit B**. The State's Perpetual Easement rights over the Easement Parcels are for public right of way and public roadway as set forth in various documents including, without limitation, Transfer Certificate of Title 85,450 and Land Court Document No. 324984 dated December 23, 1963. Lots 1-A-2, 2, 3, 4 and 5, respectively, as shown on **Exhibit B**, are identical to Lots 1-A-2, 2, 3, 4, and 5, shown on Land Court Map 4 and are lands described in Transfer Certificate of Title 85,450.

Easement RU-1 is a portion of Lot B ("**Lot B**") as shown on Map 1 of Land Court Application No. 1549. Easement RU-2 is a portion of the 29,374 square foot lot ("**Lot X**") shown on Map 1 of Land Court Application 1716. Lot B and Lot X are owned by Hilton and are the lands described in Transfer Certificate of Title No. 550,224.

A composite map showing the germane Land Court information and designating Easement RU-1 and RU-2 is attached as **Exhibit B**.

Hilton seeks to construct and install cable lines and other equipment extending from under Dewey Lane towards the Ala Wai Yacht Harbor. In order to service the Grand Waikikian and the Lagoon (including, without limitation, the operation of telemetry monitoring devices at the Lagoon pumphouse), Oceanic Time Warner Cable ("***Oceanic***") requires the installation of cable lines and other equipment necessary under the Public Right of Way towards the Lagoon to provide cable services as shown in **Exhibit "C"**, the exact location to be worked out with Oceanic and the State (collectively the "***Cable Improvements***"). At the January 6, 2006 BLNR meeting, the Board approved Agenda Items J-1 and J-2 for the issuance of right of entry permits and grant of easements for certain electrical improvements (the "***Electrical Improvements***"). The Cable Improvements will be located coincident with or immediately adjacent to the Electrical Improvements.

Hilton seeks to construct and install certain telephone lines and equipment extending from under Dewey Lane towards the Ala Wai Yacht Harbor. In order to service the Grand Waikikian and the Lagoon (including, without limitation, the operation of telemetry monitoring devices at the Lagoon pumphouse), Hawaiian Telcom ("***Hawaiian Telcom***") requires the installation of telephone lines and other equipment necessary to provide telecommunication service, under the public roadway extending from Dewey Lane towards the Lagoon as shown in **Exhibit "C"**, the exact location to be worked out with Hawaiian Telcom and the State (the "***Telephone Line Improvements***"). The Telephone Line Improvements will be located coincident with or immediately adjacent to the Electrical Improvements.

Hilton requests that the State issue a right of entry to Hilton to construct and install the Telephone Line Improvements and the Cable Improvements. The State of Hawaii DLNR Division of Boating and Ocean Recreation ("***DBOR***") has jurisdiction over the lands on which these improvements will be placed. Hilton has consulted with the staff and they request that the State grant Hilton a right of entry as requested in this submittal. In addition, the DBOR is in support of a grant of easements to Hawaiian Telcom and to Oceanic. Thus, DBOR requests that a perpetual, non-exclusive easement be granted to Hawaiian Telcom and to Oceanic for the purpose of operating, maintaining, extending, repairing,

replacing, and connecting the Telephone Line Improvements and the Cable Improvements, respectively.

In light of the fact that the Telephone Line and the Cable Improvements (collectively, the “**Improvements**”) will be collocated within the Electrical Improvements approved by the Board of Land and Natural Resources Agenda Items J-1 and J-2 at the January 13, 2006 BLNR meeting, the staff believes that it is equitable for the right of entry for installation of the Telephone Line Improvements and the Cable Improvements be issued to Hilton gratis. Additionally, the public will benefit from the Improvements because the Improvements, in part, will allow Hilton to maintain the water quality in the Lagoon at a safe and sanitary level by utilizing a telemetric monitoring system at the Lagoon pumphouse to monitor the Lagoon water quality.

2. Hawaiian Telcom Easement

Hilton requests that the State issue to Hawaiian Telcom a non-exclusive, perpetual easement to maintain, replace and repair the Telephone Line Improvements. Hilton is working with Hawaiian Telcom on the construction and the placement of Telephone Line Improvements and the related easements.

In addition, DBOR supports such a grant of easement to Hawaiian Telcom. Thus, DBOR requests that a perpetual, non-exclusive easement be granted to Hawaiian Telcom for the purpose of operating, maintaining, repairing, replacing, and connecting any and all lines and other equipment necessary to provide telecommunication service. **See Exhibit “D.”**

3. Oceanic Time Warner Cable Easement

Hilton requests that the State grant to Oceanic a non-exclusive, perpetual easement to operate, maintain, replace and repair the Cable Improvements. Hilton is working with Oceanic on the construction and, placement of the Cable Improvements and the related easement.

In addition, the DBOR is in support of such a grant of easement to Oceanic. Thus, DBOR requests that a perpetual, non-exclusive easement be granted to Oceanic for the purpose of operating, maintaining, repairing, replacing, and connecting any and all cable lines and other equipment necessary to provide cable service. **See Exhibit “D.”**

Applicant has not had a lease, permit, easement or other disposition of State lands terminated within the last five years due to non-compliance with such terms and conditions.

A final environmental assessment was approved in December 2005.

There are no pertinent issues or concerns.

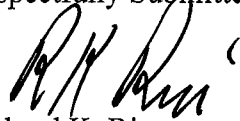
RECOMMENDATION:

That the Board authorize the issuance of the right of entry and the easements as follows below:

1. Authorize the issuance of a right of entry to Hilton Hawaiian Village LLC and its contractors covering the subject area for the purposes and under the requirements cited above, which are by this reference incorporated herein, and further subject to the following:
 - A. The standard terms and conditions of the most current right-of-entry permit form, as may be amended from time-to-time;
 - B. Receipt of all required governmental approvals, permits, etc., by Hilton;
 - C. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State; and
 - D. Approval as to form by the Department of the Attorney General.
2. Following the completion of the Telephone Line Improvements, authorize the issuance of a non-exclusive, perpetual easement to Hawaiian Telcom, covering the subject area under the terms and conditions cited above, which are by this reference incorporated herein, and further subject to the following:
 - A. The standard terms and conditions of the most current easement form, as may be amended from time-to-time;
 - B. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State; and

- C. Approval as to form by the Department of the Attorney General.
- 3. Following the completion of the Cable Improvements, authorize the issuance of a non-exclusive, perpetual easement to Oceanic, covering the subject area under the terms and conditions cited above, which are by this reference incorporated herein, and further subject to the following:
 - A. The standard terms and conditions of the most current easement form, as may be amended from time-to-time;
 - B. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State; and
 - C. Approval as to form by the Department of the Attorney General.

Respectfully Submitted,

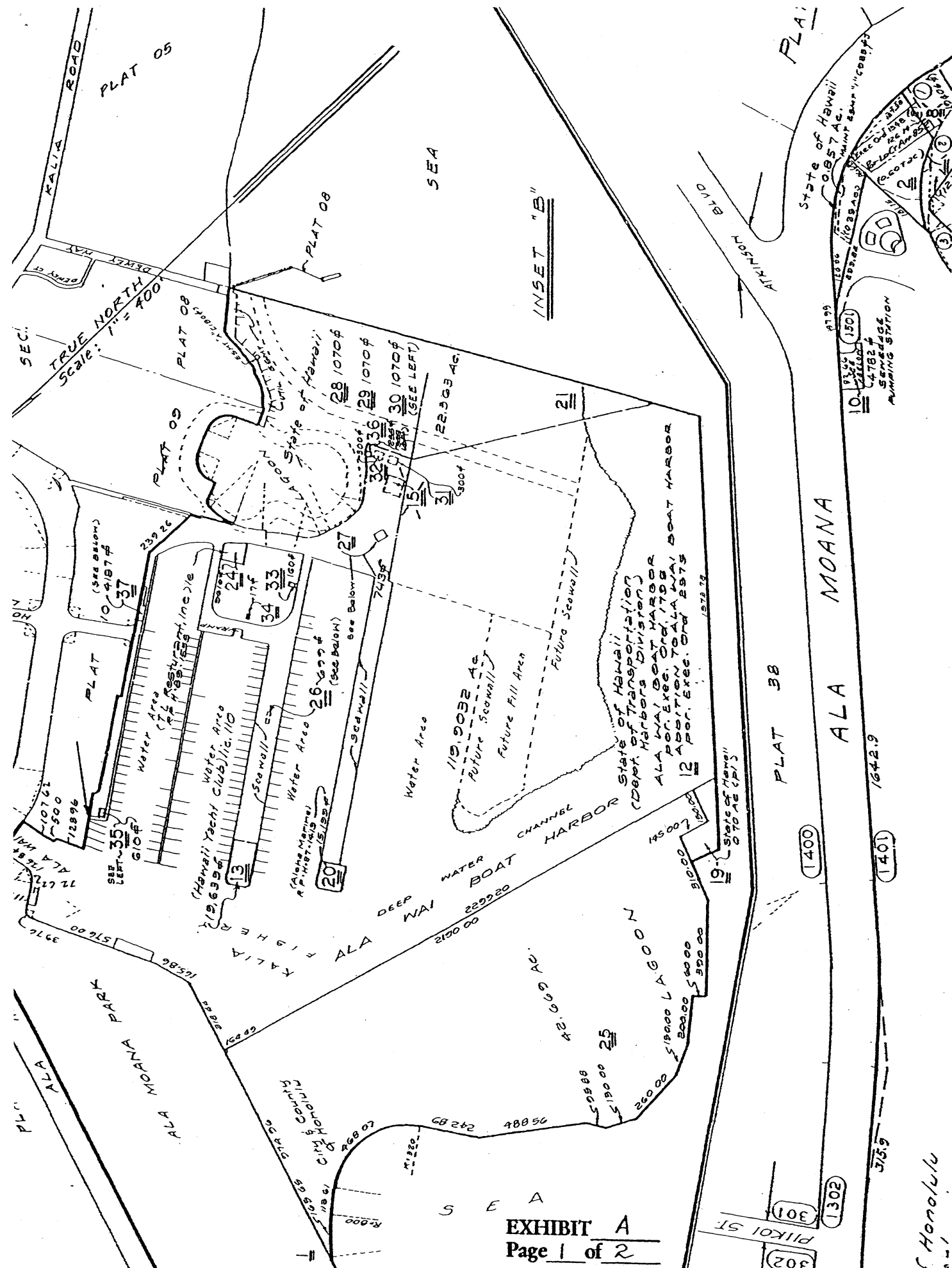


Richard K. Rice
Administrator

APPROVED FOR SUBMITTAL:



Peter T. Young, Chairperson



TRUE NORTH
SCALE: 1" = 30' FT.

Land Court Case No. 04
Lot 1-4-2

EASEMENT RU-2
(971 SQ. FT.)

EASEMENT RU-1
(3,284 SQ. FT.)

24,574 SQ. FT.
(Net Area = 20,409 SQ. FT.)

Land Court Application 1716

LOT B
48,029 SQ. FT.
(Net Area = 42,821 SQ. FT.)

Land Court Application 1549

R. P. 1059, L.C. No. 1175,
Apapa I to Paoo

Easement "E"

Lot 1

Land

Easement "D"

Lot 6

Court

Application

Lot 6B

216

COMPOSITE MAP
DESIGNATION OF EASEMENT RU-1
FOR ACCESS AND UTILITY PURPOSES
AFFECTING LOT B
OF LAND COURT APPLICATION 1549
AS SHOWN ON MAP 1
AND
DESIGNATION OF EASEMENT RU-2
FOR ACCESS AND UTILITY PURPOSES
AFFECTING LAND COURT APPLICATION 1716
AS SHOWN ON MAP 1

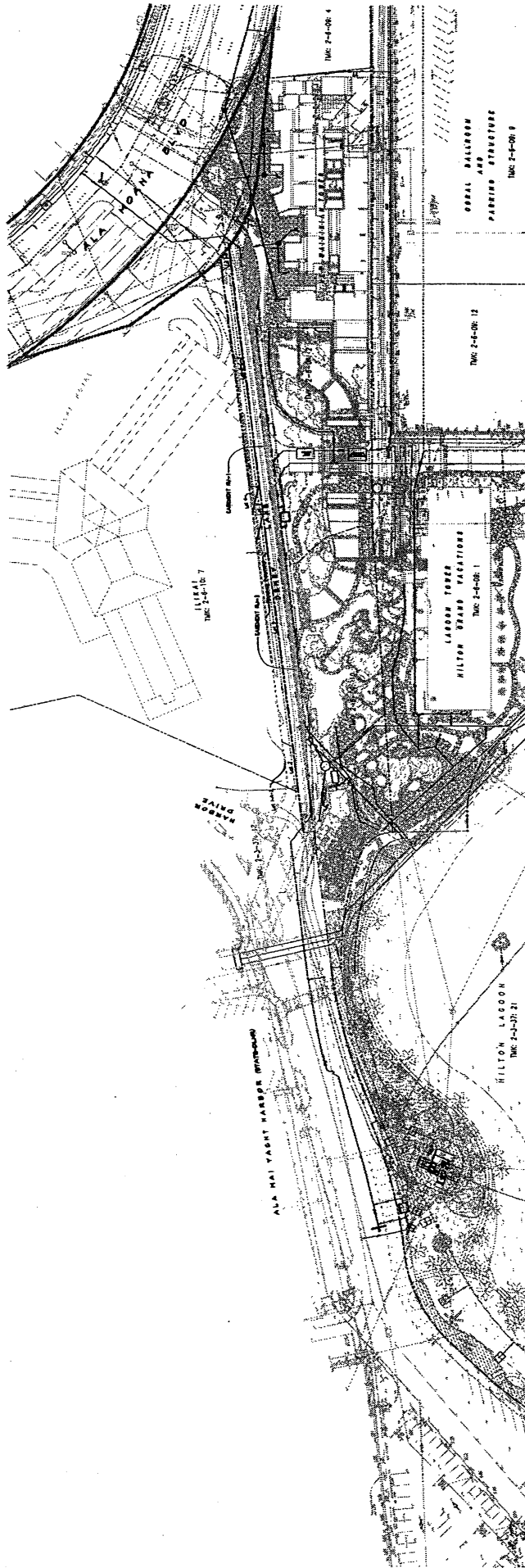
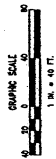
AT KALIA, WAIKIKI, OAHU, HAWAII
T.M.K.: 2-6-09, 02 & 10
OWNER: HILTON HAWAIIAN VILLAGE LLC



ALCON & ASSOCIATES, INC.
110 KALANIANA'OLANI BLVD.
HONOLULU, HI 96813

JUL 19, 2005

HILTON WAKIKIAN DEVELOPMENT COMPOSITE UTILITY PLAN



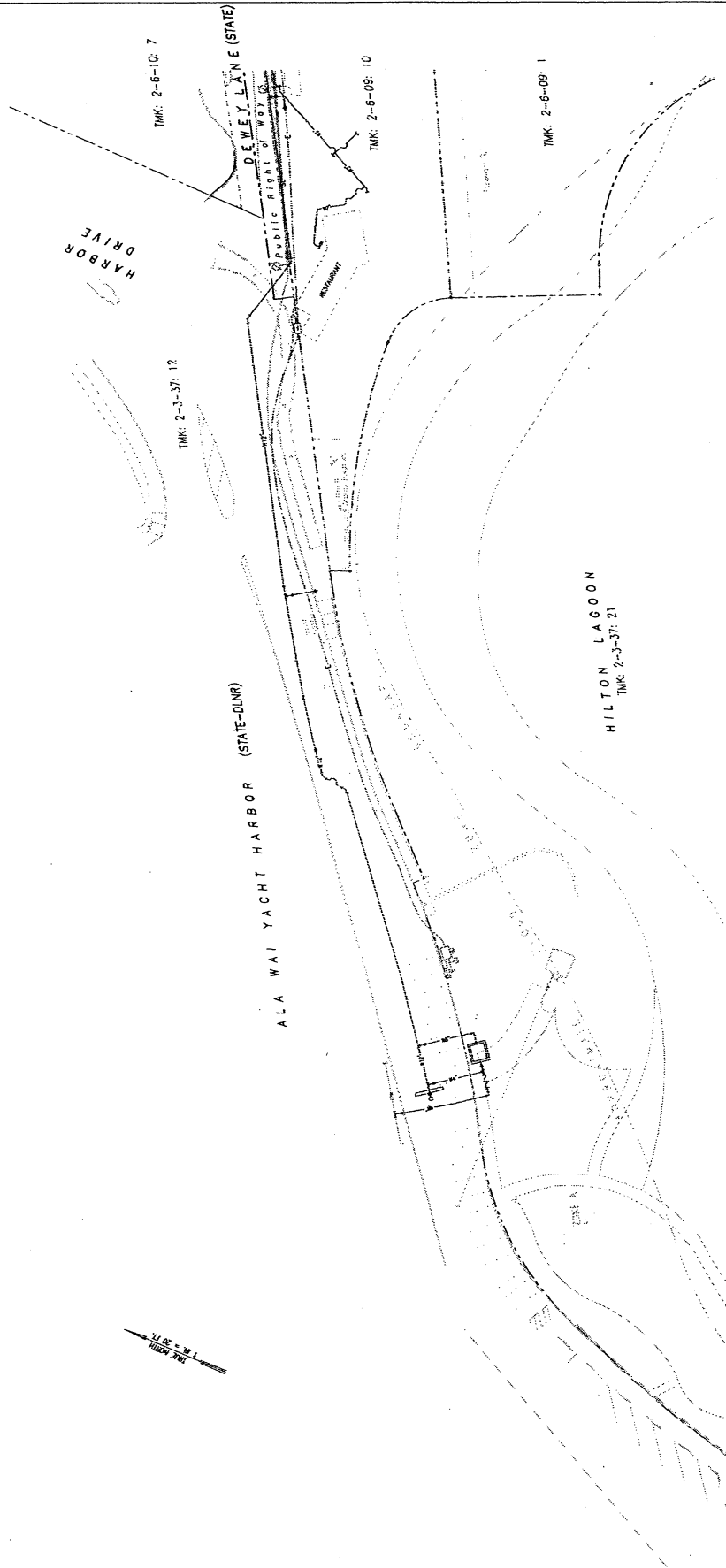
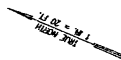
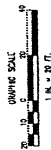
LEGEND:

- New Drain Line ——— D16"
- New Sewer Line ——— S12"
- New Water Line ——— W12"
- New Street Light ——— SL
- New Elec./Tel./Cable Dueline ——— E



November 17, 2005

HILTON WAKILIAN DEVELOPMENT COMPOSITE UTILITY PLAN AT ALA WAI YACHT HARBOR



LEGEND:

- New Water Line — W12"
- New Street Light — SL
- New Elec/Tel/Cable Ductline — E

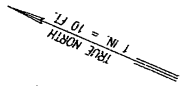
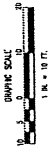
HILTON WAKIKIAN DEVELOPMENT COMPOSITE UTILITY PLAN AT ALA WAI YACHT HARBOR

(STATE-DLNR)

ALA WAI YACHT HARBOR

TMK: 2-3-37: 12

HILTON LAGOON
TMK: 2-3-37: 21

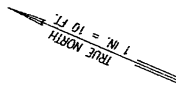
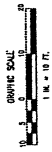


LEGEND:

- New Water Line ——— W12"
- New Street Light ——— SL
- New Elec./Tel/Cable Ductline ——— E

SHEET 1

HILTON WAKIKIAN DEVELOPMENT
COMPOSITE UTILITY PLAN AT ALA WAI YACHT HARBOR



HARBOR
DRIVE

TMK: 2-6-10: 7

TMK: 2-3-37: 12

ALA WAI YACHT HARBOR
(STATE- DLNR)

DEWEY LANE (STATE)

Public Right of Way

RESTAURANT

TMK: 2-6-09: 10

HILTON LAGOON
TMK: 2-3-37: 21

LEGEND:

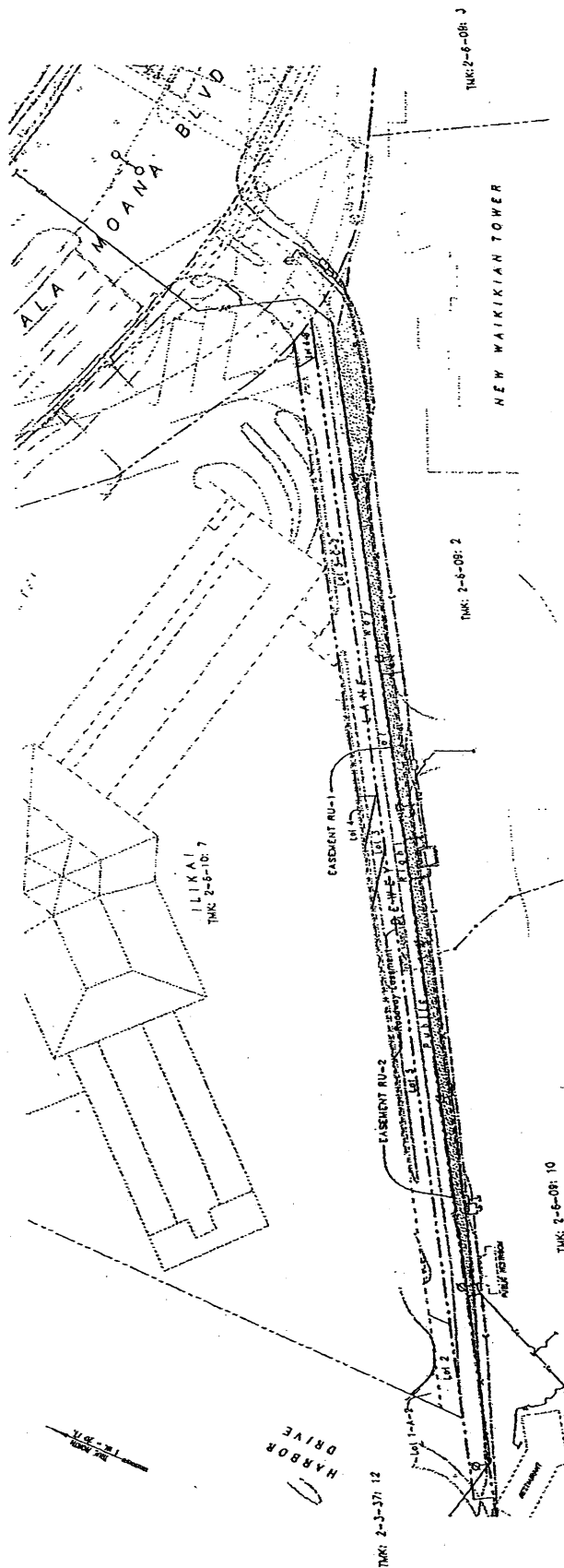
- New Water Line ——— W12"
- New Street Light ——— SL
- New Elec/Tel/Cable Ductline ——— E

SHEET 2



November 11, 2003

HILTON WAIKIKIAN DEVELOPMENT COMPOSITE UTILITY PLAN AT DEWEY LANE



LEGEND:

New Water Line

New Street Light

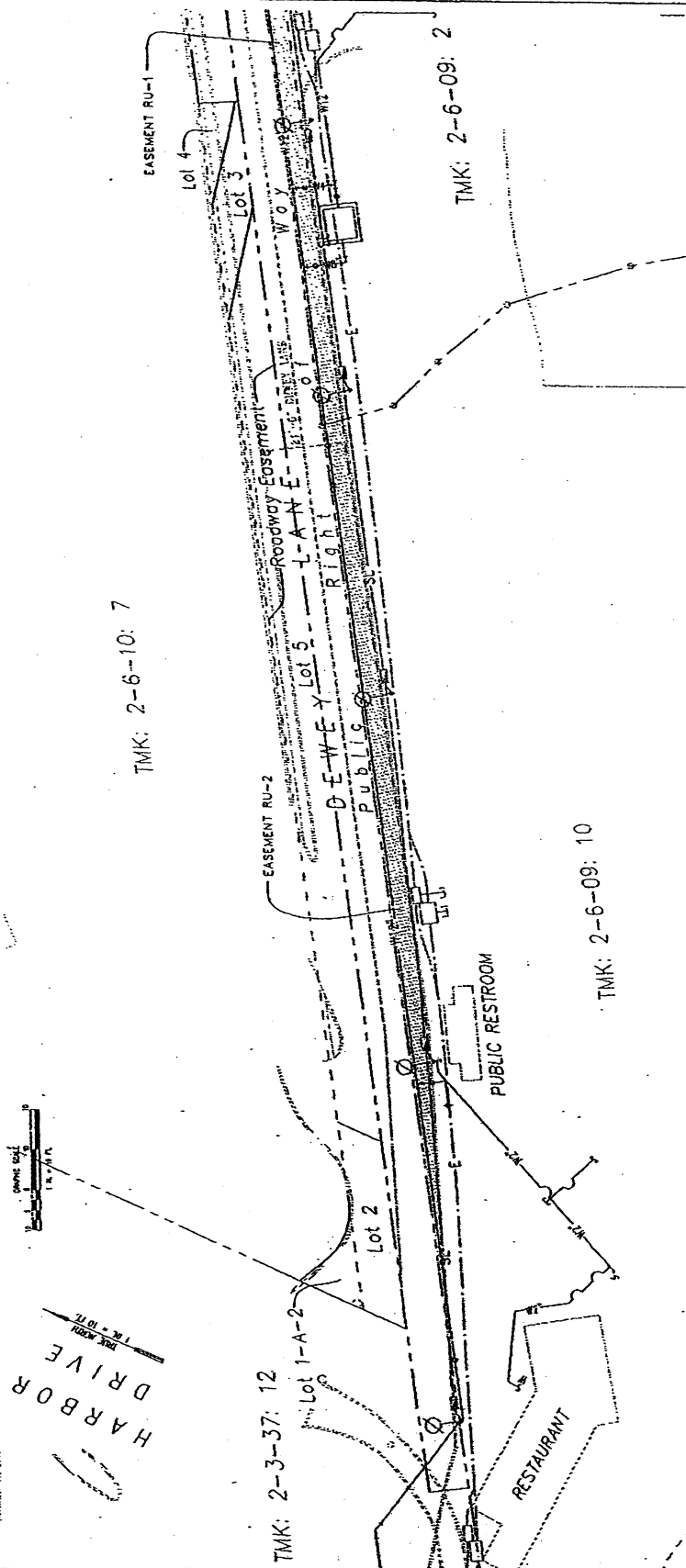
New Elec./Tel/Cable Ductline

W12"

SL

E

~~HILTON WAKIKIAN DEVELOPMENT
COMPOSITE UTILITY PLAN AT DEWEY LANE~~



LEGEND:

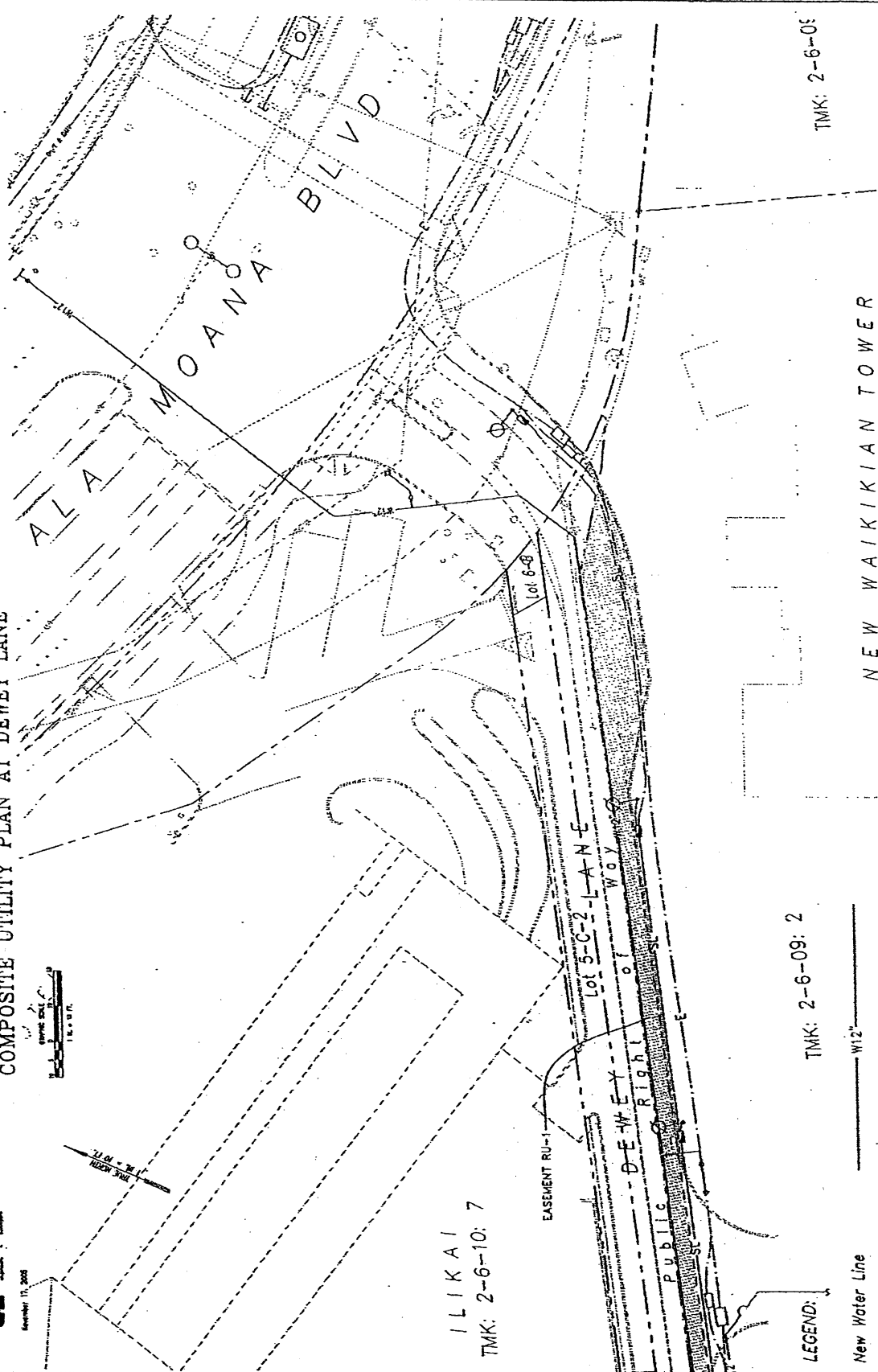
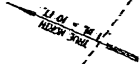
New Water Line

New Street Light

New Elec/Tel/Cable Ductline

SHEET 1

HILTON WAIKIAN DEVELOPMENT
COMPOSITE UTILITY PLAN AT DEWEY LANE



TMK: 2-6-09: 2

TMK: 2-6-09: 2

LEGEND:

- W12" — New Water Line
- SL — New Street Light
- New Elec./Tel./Cable Ductline

SHEET 2

From: "Ronald Katahara" <ron@mkhawaii.com>
To: "alcon & associates" <alconmain@hawaii.rr.com>
Date: 1/17/2006 10:28:17 AM
Subject: HHV Waikikian Site Development - telephone and CATV system infrastructure design status

Dear Dean,

Here is the status of the design with respect to the cable television and telephone companies:

1. Cable Television - Oceanic Time Warner has approved our design drawings for the cable television system infrastructure.
2. Telephone - Hawaiian Telcom has reviewed our drawings and provided comments for minor revisions to made.

Final approvals of the designs by Oceanic Time Warner Cable and Hawaiian Telcom are expected shortly. It is anticipated that both utility companies will require perpetual easements in their favor for the infrastructure installed for their systems.

Please contact me if you have additional questions.

R. C. Katahara, MK Engineers, Ltd., 286 Kalihi St., Honolulu, HI 96819;
tel (808) 848 8622

CC: <aito@starnlaw.com>